

Gulf Power Company  
75 North Pace Boulevard  
Post Office Box 1151  
Pensacola, Florida 32520  
Telephone 904-434-8111

0-170A039

RECORDATION NO. .... Filed 1425

11916

No. JUN 18 1980 JUN 18 1980-1 30 PM

Date

Fee \$ 270.00

INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

the southern electric system.

RECORDATION NO. .... Filed 1425

JUN 18 1980-1 30 PM

INTERSTATE COMMERCE COMMISSION

Please Address Reply to  
Southern Company Services, Inc.  
64 Perimeter Center East  
Atlanta, Georgia 30346

June 16, 1980

Secretary  
Interstate Commerce Commission  
12th Streets and Constitution Avenue, N.W.  
Washington, D. C. 20423

Dear Mr. Secretary:

Enclosed for recording with the Commission pursuant to the provisions of the Interstate Commerce Act contained in 49 U.S.C. Section 11303 are one original counterpart and two certified true copies of:

- RECEIVED  
JUN 18 1 26 PM '80  
I.C.C.  
FEE PAID
- (A) the Indenture, dated as of September 1, 1941;
  - (B) the Supplemental Indenture, dated as of April 1, 1944;
  - (C) the Supplemental Indenture, dated as of April 1, 1948;
  - (D) the Supplemental Indenture, dated as of April 1, 1949;
  - (E) the Supplemental Indenture, dated as of July 1, 1952;
  - (F) the Supplemental Indenture, dated as of June 1, 1953;
  - (G) the Supplemental Indenture, dated as of July 1, 1954;
  - (H) the Supplemental Indenture, dated as of February 1, 1958;
  - (I) the Supplemental Indenture, dated as of April 1, 1959;
  - (J) the Supplemental Indenture, dated as of July 1, 1960;
  - (K) the Supplemental Indenture, dated as of October 1, 1964;
  - (L) the Supplemental Indenture, dated as of June 1, 1966;
  - (M) the Supplemental Indenture, dated as of March 1, 1969;
  - (N) the Supplemental Indenture, dated as of July 1, 1970;
  - (O) the Supplemental Indenture, dated as of October 1, 1971;
  - (P) the Supplemental Indenture, dated as of May 1, 1972;
  - (Q) the Supplemental Indenture, dated as of May 1, 1973;
  - (R) the Supplemental Indenture, dated as of December 1, 1974;
  - (S) the Supplemental Indenture, dated as of May 1, 1976;
  - (T) the Supplemental Indenture, dated as of October 1, 1976;
  - (U) the Supplemental Indenture, dated as of March 1, 1977;
  - (V) the Supplemental Indenture, dated as of September 1, 1978;
  - (W) the Supplemental Indenture, dated as of May 1, 1979;
  - (X) the Supplemental Indenture, dated as of February 1, 1980;

all from Gulf Power Company to The Chase Manhattan Bank (National Association) and the Citizens and Peoples National Bank of Pensacola, as Trustees. Also enclosed is a check in the amount of \$270.00 in payment of the recording fees.

Pursuant to Part 1116 of the Regulations of the Commission under the above-mentioned Act, we provide you with the following information:

1. The names and addresses of the parties to the transaction are:

- (a) the issuer of the secured obligations:

Gulf Power Company  
75 North Pace Boulevard  
P. O. Box 1151  
Pensacola, Florida 32520

- (b) the Trustees:

The Chase Manhattan Bank (National Association)  
One New York Plaza  
New York, New York 10015

and:

The Citizens and Peoples National Bank of Pensacola  
213 South Palafox Street  
Pensacola, Florida 32502

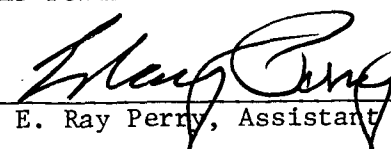
2. The equipment covered by the documents to be recorded consists of 230 railroad cars, AAR mechanical designation - HT, numbered DEGX 80230-80459, inclusive, for delivery of coal to the Victor J. Daniel, Jr. Electric Generating Plant.

Please acknowledge the recording of the enclosed documents by returning the original counterparts, with the recording information stamped thereon, to the undersigned, c/o Southern Company Services, Inc., 64 Perimeter Center East, P. O. Box 720071, Atlanta, Georgia 30346.

Sincerely,

GULF POWER COMPANY

BY

  
E. Ray Perry, Assistant Secretary

4404 393 0650

11916-*S*  
RECORDATION NO. .... Filed 1425

JUN 18 1980 - 1 30 PM

INTERSTATE COMMERCE COMMISSION

*Conformed M*

**GULF POWER COMPANY**

**TO**

**THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION)**

**(Formerly The Chase Manhattan Bank, Successor by Merger to  
The Chase National Bank of the City of New York)**

**AND**

**THE CITIZENS & PEOPLES NATIONAL BANK  
OF PENSACOLA**

**As Trustees.**

---

**Supplemental Indenture**

**providing among other things for**

**FIRST MORTGAGE BONDS**

**7¾% Series due 1999**

---

***Dated as of March 1, 1969***

---

**SUPPLEMENTAL INDENTURE**, dated as of March 1, 1969, made and entered into by and between GULF POWER COMPANY, a corporation organized and existing under the laws of the State of Maine (hereinafter commonly referred to as the "Company") and THE CHASE MANHATTAN BANK (National Association), a corporation organized and existing under the laws of the United States of America, with its principal office in the Borough of Manhattan, The City of New York, formerly The Chase Manhattan Bank, successor by merger to The Chase National Bank of the City of New York, as trustee (hereinafter commonly referred to as the "Trustee"), and THE CITIZENS & PEOPLES NATIONAL BANK OF PENSACOLA, a corporation organized and existing under the laws of the United States of America, with its principal office in the City of Pensacola, Florida, as trustee (hereinafter commonly referred to as the "Co-Trustee"), the Trustee and the Co-Trustee being hereinafter commonly referred to as the "Trustees", as Trustees under the Indenture dated as of September 1, 1941 between the Company and The Chase National Bank of the City of New York and The Citizens & Peoples National Bank of Pensacola, as Trustees, securing bonds issued and to be issued as provided therein (hereinafter sometimes referred to as the "Indenture"),

WHEREAS the Company and the Trustees have executed and delivered the Indenture for the purpose of securing an issue of bonds of the 1971 Series described therein and such additional bonds as may from time to time be issued under and in accordance with the terms of the Indenture, the aggregate principal amount of bonds to be secured thereby being not limited, and the Indenture fully describes and sets forth the property conveyed thereby and is of record in the Office of the Clerk of the Circuit Court of each county in the State of Florida in which this Supplemental Indenture is to be recorded and is on file at the principal offices of the Trustees, above referred to; and

WHEREAS the Company and the Trustees have executed and delivered various supplemental indentures for the purpose, among others, of further securing said bonds and of setting forth the terms and provisions relating to the bonds of other series described therein, which supplemental indentures describe and set forth additional property conveyed thereby and are also of record in the Offices of the Clerks of the Circuit Courts of some or all of the Counties in the State of Florida in which this Supplemental Inden-

ture is to be recorded and are on file at the principal offices of the Trustees, above referred to; and

WHEREAS the Indenture provides for the issuance of bonds thereunder in one or more series and the Company, by appropriate corporate action in conformity with the terms of the Indenture, has duly determined to create a series of bonds under the Indenture to be designated as "7¾ % Series due 1999" (hereinafter sometimes referred to as the "Twelfth Series"), each of which bonds shall also bear the descriptive title "First Mortgage Bond", the bonds of such series to bear interest at the annual rate designated in the title thereof and to mature March 1, 1999; and

WHEREAS each of the coupon bonds of the Twelfth Series is to be substantially in the following form, to-wit:

[FORM OF COUPON BOND OF THE TWELFTH SERIES]

GULF POWER COMPANY

FIRST MORTGAGE BOND, 7¾ % SERIES DUE 1999

No. ....

\$1,000

Gulf Power Company, a Maine corporation (hereinafter called the "Company"), for value received, hereby promises to pay to the bearer or, if this bond is registered as to principal, then to the registered owner hereof, the principal sum of One Thousand Dollars on March 1, 1999, and to pay interest thereon from March 1, 1969, at the rate, until the principal hereof shall have become due and payable, of seven and three-quarters per centum per annum, payable on September 1 and March 1 in each year. The installments of such interest falling due on or prior to the maturity of this bond shall be paid only in accordance with and upon presentation and surrender of the annexed coupons as they severally become due. The principal of and the premium, if any, and interest on this bond shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, designated for that purpose, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

This bond is one of the bonds issued and to be issued from time to time under and in accordance with and all secured by an indenture of

mortgage or deed of trust dated as of September 1, 1941, between the Company and The Chase National Bank of the City of New York to which The Chase Manhattan Bank (now The Chase Manhattan Bank (National Association)) is successor by merger (hereinafter sometimes referred to as the "Trustee"), and The Citizens & Peoples National Bank of Pensacola, as Trustees, and indentures supplemental thereto, to which indenture and indentures supplemental thereto (hereinafter referred to collectively as the "Indenture") reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security and the rights, duties and immunities thereunder of the Trustees and the rights of the holders of said bonds and of the Trustees and of the Company in respect of such security, and the limitations on such rights. By the terms of the Indenture the bonds to be secured thereby are issuable in series which may vary as to date, amount, date of maturity, rate of interest and in other respects as in the Indenture provided.

Upon notice published at least once in each of four consecutive calendar weeks, upon any day in each such week, the first publication to be at least thirty days and not more than forty-five days prior to the date fixed for redemption, in one newspaper (which need not be the same newspaper for each such publication) printed in the English language and customarily published at least once a day for at least five days in each calendar week and of general circulation in the Borough of Manhattan, The City of New York (provided that publication of such notice shall not be required in case all the bonds to be redeemed are registered bonds without coupons and/or coupon bonds registered as to principal and the Company or the Trustee shall have mailed, by registered mail postage prepaid, notice of redemption not less than thirty nor more than forty-five days prior to the date fixed for redemption to each registered holder of a bond to be redeemed [in whole or in part] at the last address of such holder appearing on the registry books, and provided further that there need not be included in a published notice the number of any bond called for redemption if a notice of redemption thereof has been so mailed to the registered holder thereof), any or all of the bonds of this series may be redeemed by the Company, at its option, or by operation of various provisions of the Indenture, at any time and from time to time by the payment of the principal amount thereof and accrued interest thereon to the date fixed for redemption, together, if redeemed otherwise than by the operation of the sinking or improvement

fund or the maintenance and/or replacement provisions of the Indenture and otherwise than by the use of proceeds of released property, as more fully set forth in the Indenture, with a premium equal to a percentage of the principal amount thereof determined as set forth in the tabulation below under the heading "Regular Redemption Premium", and, if redeemed by the operation of the sinking or improvement fund or the maintenance and/or replacement provisions of the Indenture or by the use of proceeds of released property, as more fully set forth in the Indenture, with a premium equal to a percentage of the principal amount thereof determined as set forth in the tabulation below under the heading "Special Redemption Premium":

If redeemed during the twelve months' period ending the last day of February,

| <b>Year</b> | <b>Regular<br/>Redemption<br/>Premium</b> | <b>Special<br/>Redemption<br/>Premium</b> |
|-------------|---|---|
| 1970.....   | 8.92%                                     | 1.169%                                    |
| 1971.....   | 8.62%                                     | 1.16%                                     |
| 1972.....   | 8.31%                                     | 1.15%                                     |
| 1973.....   | 8.00%                                     | 1.14%                                     |
| 1974.....   | 7.69%                                     | 1.13%                                     |
| 1975.....   | 7.39%                                     | 1.11%                                     |
| 1976.....   | 7.08%                                     | 1.10%                                     |
| 1977.....   | 6.77%                                     | 1.08%                                     |
| 1978.....   | 6.46%                                     | 1.06%                                     |
| 1979.....   | 6.16%                                     | 1.04%                                     |
| 1980.....   | 5.85%                                     | 1.02%                                     |
| 1981.....   | 5.54%                                     | 1.01%                                     |
| 1982.....   | 5.23%                                     | .97%                                      |
| 1983.....   | 4.93%                                     | .95%                                      |
| 1984.....   | 4.62%                                     | .92%                                      |
| 1985.....   | 4.31%                                     | .89%                                      |
| 1986.....   | 4.00%                                     | .86%                                      |
| 1987.....   | 3.70%                                     | .82%                                      |
| 1988.....   | 3.39%                                     | .78%                                      |
| 1989.....   | 3.08%                                     | .74%                                      |
| 1990.....   | 2.77%                                     | .70%                                      |
| 1991.....   | 2.47%                                     | .65%                                      |
| 1992.....   | 2.16%                                     | .60%                                      |

| <b>Year</b> | <b>Regular<br/>Redemption<br/>Premium</b> | <b>Special<br/>Redemption<br/>Premium</b> |
|-------------|---|---|
| 1993.....   | 1.85%                                     | .54%                                      |
| 1994.....   | 1.54%                                     | .48%                                      |
| 1995.....   | 1.24%                                     | .41%                                      |
| 1996.....   | .93%                                      | .34%                                      |
| 1997.....   | .62%                                      | .27%                                      |
| 1998.....   | .31%                                      | .19%                                      |

and without premium in either case if redeemed on or after March 1, 1998.

In case of certain defaults as specified in the Indenture, the principal of this bond may be declared or may become due and payable on the conditions, at the time, in the manner and with the effect provided in the Indenture.

No recourse shall be had for the payment of the principal of or premium, if any, or interest on this bond, or for any claim based hereon, or otherwise in respect hereof or of the Indenture, to or against any incorporator, stockholder, director or officer, past, present or future, as such, of the Company, or of any predecessor or successor company, either directly or through the Company, or such predecessor or successor company, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, stockholders, directors and officers, as such, being waived and released by the holder and owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Indenture.

This bond shall be transferable by delivery unless registered as to principal in the holder's name at the principal office of the Trustee, in the Borough of Manhattan, The City of New York, on registry books to be kept for the purpose at such place, such registration being noted hereon as provided in the Indenture. After such registration no further transfer of this bond shall be valid unless made on said books by the registered owner in person or by attorney duly authorized, and similarly noted hereon; but this bond may be discharged from registry by being in like manner transferred to bearer, whereupon transferability by delivery shall be restored; and this bond may again and from time to time be registered or transferred to bearer as before.



Such registration, however, shall not affect the negotiability of the annexed coupons which shall always be transferable by delivery and be payable to bearer. No charge shall be made to the holder hereof for any such registration or discharge from registration, except such amount as may be necessary to cover any stamp tax or other governmental charge. The Company and the Trustees may deem and treat the bearer of this bond, or, if this bond is registered as to principal as herein authorized, the person in whose name the same is registered, and the holder of any coupon hereto appertaining, as the absolute owner for the purpose of receiving payment and for all other purposes. Coupon bonds and registered bonds without coupons of this series are interchangeable in the manner and upon the conditions prescribed in the Indenture. Neither this bond nor any interest coupon appertaining hereto shall be valid or become obligatory for any purpose unless and until this bond shall have been authenticated by the execution by the Trustee or its successor in trust under the Indenture of the certificate endorsed hereon.

IN WITNESS WHEREOF, Gulf Power Company has caused this bond to be executed in its name by its President or one of its Vice-Presidents by his signature or a facsimile thereof, and its corporate seal or a facsimile thereof to be affixed hereto or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries by his signature or a facsimile thereof, and has caused the coupons hereto annexed to be authenticated by a facsimile signature of its Treasurer.

Dated March 1, 1969.

GULF POWER COMPANY,

By .....  
*President.*

Attest:

.....  
*Secretary.*

AND WHEREAS each coupon to be attached to the coupon bonds of the Twelfth Series is to be substantially in the following form, to-wit:

[FORM OF COUPON]

\$38.75

On \_\_\_\_\_, Gulf Power Company will pay to bearer, upon the surrender of this coupon, at its office or agency in the Borough of Manhattan, The City of New York, the amount shown hereon in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, being six months' interest then due on its First Mortgage Bond of the series and number designated hereon. This coupon shall be treated as negotiable. It will not be payable if said bond shall have been called for previous redemption and provision duly made for payment of the redemption price thereof.

7¾ % Series due 1999

.....  
*Treasurer.*

(Bond)

No. ....

(Coupon No.)

.....

AND WHEREAS each of the registered bonds of the Twelfth Series is to be substantially in the following form, to-wit:

[FORM OF REGISTERED BOND OF THE TWELFTH SERIES]

GULF POWER COMPANY

FIRST MORTGAGE BOND, 7¾ % SERIES DUE 1999

No. ....

\$.....

GULF POWER COMPANY, a Maine corporation (hereinafter called the "Company"), for value received, hereby promises to pay to  
or registered assigns, the principal sum of  
Dollars on March 1, 1999,  
and to pay to the registered holder hereof interest on said sum from the date hereof, at the rate, until the principal hereof shall have become due and payable, of seven and three-quarters per centum per annum, payable on September 1 and March 1 in each year. The principal of and the premium, if any, and interest on this bond shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, designated for that purpose, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

This bond is one of the bonds issued and to be issued from time to time under and in accordance with and all secured by an indenture of mortgage or deed of trust dated as of September 1, 1941, between the Company and The Chase National Bank of the City of New York to which The Chase Manhattan Bank (now The Chase Manhattan Bank (National Association)) is successor by merger (hereinafter sometimes referred to as the "Trustee"), and The Citizens & Peoples National Bank of Pensacola, as Trustees, and indentures supplemental thereto, to which indenture and indentures supplemental thereto (hereinafter referred to collectively as the "Indenture") reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security and the rights, duties and immunities thereunder of the Trustees and the rights of the holders of said bonds and of the Trustees and of the Company in respect of such security, and the limitations on such rights. By the terms of the Indenture the bonds

to be secured thereby are issuable in series which may vary as to date, amount, date of maturity, rate of interest and in other respects as in the Indenture provided.

Upon notice published at least once in each of four consecutive calendar weeks, upon any day in each such week, the first publication to be at least thirty days and not more than forty-five days prior to the date fixed for redemption, in one newspaper (which need not be the same newspaper for each such publication) printed in the English language and customarily published at least once a day for at least five days in each calendar week and of general circulation in the Borough of Manhattan, The City of New York (provided that publication of such notice shall not be required in case all the bonds to be redeemed are registered bonds without coupons and/or coupon bonds registered as to principal and the Company or the Trustee shall have mailed, by registered mail postage prepaid, notice of redemption not less than thirty nor more than forty-five days prior to the date fixed for redemption to each registered holder of a bond to be redeemed [in whole or in part] at the last address of such holder appearing on the registry books, and provided further that there need not be included in a published notice the number of any bond called for redemption if a notice of redemption thereof has been so mailed to the registered holder thereof), any or all of the bonds of this series may be redeemed by the Company, at its option, or by operation of various provisions of the Indenture, at any time and from time to time by the payment of the principal amount thereof and accrued interest thereon to the date fixed for redemption, together, if redeemed otherwise than by the operation of the sinking or improvement fund or the maintenance and/or replacement provisions of the Indenture and otherwise than by the use of proceeds of released property, as more fully set forth in the Indenture, with a premium equal to a percentage of the principal amount thereof determined as set forth in the tabulation below under the heading "Regular Redemption Premium", and, if redeemed by the operation of the sinking or improvement fund or the maintenance and/or replacement provisions of the Indenture or by the use of proceeds of released property, as more fully set forth in the Indenture, with a premium equal to a percentage of the principal amount thereof determined as set forth in the tabulation below under the heading "Special Redemption Premium":

If redeemed during the twelve months' period ending the last day of February,

| Year      | Regular<br>Redemption<br>Premium | Special<br>Redemption<br>Premium |
|-----------|----------------------------------|----------------------------------|
| 1970..... | 8.92%                            | 1.169%                           |
| 1971..... | 8.62%                            | 1.16%                            |
| 1972..... | 8.31%                            | 1.15%                            |
| 1973..... | 8.00%                            | 1.14%                            |
| 1974..... | 7.69%                            | 1.13%                            |
| 1975..... | 7.39%                            | 1.11%                            |
| 1976..... | 7.08%                            | 1.10%                            |
| 1977..... | 6.77%                            | 1.08%                            |
| 1978..... | 6.46%                            | 1.06%                            |
| 1979..... | 6.16%                            | 1.04%                            |
| 1980..... | 5.85%                            | 1.02%                            |
| 1981..... | 5.54%                            | 1.01%                            |
| 1982..... | 5.23%                            | .97%                             |
| 1983..... | 4.93%                            | .95%                             |
| 1984..... | 4.62%                            | .92%                             |
| 1985..... | 4.31%                            | .89%                             |
| 1986..... | 4.00%                            | .86%                             |
| 1987..... | 3.70%                            | .82%                             |
| 1988..... | 3.39%                            | .78%                             |
| 1989..... | 3.08%                            | .74%                             |
| 1990..... | 2.77%                            | .70%                             |
| 1991..... | 2.47%                            | .65%                             |
| 1992..... | 2.16%                            | .60%                             |
| 1993..... | 1.85%                            | .54%                             |
| 1994..... | 1.54%                            | .48%                             |
| 1995..... | 1.24%                            | .41%                             |
| 1996..... | .93%                             | .34%                             |
| 1997..... | .62%                             | .27%                             |
| 1998..... | .31%                             | .19%                             |

and without premium in either case if redeemed on or after March 1, 1998.

In case of certain defaults as specified in the Indenture, the principal of this bond may be declared or may become due and payable on the con-

ditions, at the time, in the manner and with the effect provided in the Indenture.

No recourse shall be had for the payment of the principal of or premium, if any, or interest on this bond, or for any claim based hereon, or otherwise in respect hereof or of the Indenture, to or against any incorporator, stockholder, director or officer, past, present or future, as such, of the Company, or of any predecessor or successor company, either directly or through the Company, or such predecessor or successor company, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, stockholders, directors and officers, as such, being waived and released by the holder and owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Indenture.

Every registered bond of this series shall be dated as of March 1, 1969, or, if such bond be authenticated after the first payment of interest, then as of the last interest payment date to which interest has been paid on bonds of this series, except that, if any registered bond of this series shall be authenticated upon any interest payment date to which interest is being paid for this series, it shall be dated as of the day of such authentication.

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized, at the principal office of the Trustee, in the Borough of Manhattan, The City of New York, but only in the manner prescribed in the Indenture, upon the surrender and cancellation of this bond and the payment of charges for transfer, and upon any such transfer a new registered bond or bonds, without coupons, of the same series and maturity date and for the same aggregate principal amount, in authorized denominations, will be issued to the transferee in exchange herefor. The Company and the Trustees may deem and treat the person in whose name this bond is registered as the absolute owner for the purpose of receiving payment and for all other purposes. Coupon bonds and registered bonds without coupons of this series are interchangeable, and registered bonds shall be exchangeable for registered bonds of other authorized denominations having the same aggregate principal amount, in the manner and upon the conditions prescribed in the Indenture. This bond shall not be valid or become obligatory for any purpose unless and until it shall have been authenticated by the

execution by the Trustee or its successor in trust under the Indenture of the certificate endorsed hereon.

IN WITNESS WHEREOF, Gulf Power Company has caused this bond to be executed in its name by its President or one of its Vice-Presidents by his signature or a facsimile thereof, and its corporate seal or a facsimile thereof to be affixed hereto or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries by his signature or a facsimile thereof.

Dated.....

GULF POWER COMPANY,

By.....  
*President.*

Attest:

.....  
*Secretary.*

AND WHEREAS, on each of the coupon bonds and on each of the registered bonds of each and every series issued under and secured by the Indenture (whether in temporary or definitive form) there is to be endorsed a certificate of the Trustee substantially in the following form, to-wit:

[FORM OF TRUSTEE'S CERTIFICATE]

TRUSTEE'S CERTIFICATE

This bond is one of the bonds, of the series designated therein, described in the within-mentioned Indenture.

THE CHASE MANHATTAN BANK  
(National Association),  
*As Trustee,*

By.....  
*Authorized Officer.*

AND WHEREAS all acts and things necessary to make the bonds, when authenticated by the Trustee and issued as in the Indenture, as heretofore supplemented and amended, and this Supplemental Indenture, provided, the valid, binding and legal obligations of the Company, and to constitute the Indenture, as heretofore supplemented and amended, and this Supplemental Indenture valid, binding and legal instruments for the security thereof, have been done and performed, and the creation, execution and delivery of the Indenture, as heretofore supplemented and amended, and this Supplemental Indenture and the creation, execution and issue of bonds subject to the terms hereof and of the Indenture, have in all respects been duly authorized;

NOW, THEREFORE, in consideration of the premises, and of the acceptance and purchase by the holders thereof of the bonds issued and to be issued under the Indenture, and of the sum of One Dollar duly paid by the Trustees to the Company, and of other good and valuable considerations, the receipt whereof is hereby acknowledged, and for the purpose of securing the due and punctual payment of the principal of and premium, if any, and interest on the bonds now outstanding under the Indenture, or the Indenture as supplemented and amended, and the \$15,000,000 principal amount of bonds of the Twelfth Series proposed to be initially issued and all other bonds which shall be issued under the Indenture, or the Indenture as supplemented and amended, and for the purpose of securing the faithful performance and observance of all covenants and conditions therein and in any indenture supplemental thereto set forth, the Company has given, granted, bargained, sold, transferred, assigned, hypothecated, pledged, mortgaged, warranted, aliened and conveyed and by these presents does give, grant, bargain, sell, transfer, assign, hypothecate, pledge, mortgage, warrant, alien and convey unto The Chase Manhattan Bank (National Association) and The Citizens & Peoples National Bank of Pensacola, as Trustees, as provided in the Indenture, and their successor or successors in the trust thereby and hereby created and to their assigns forever, all the right title and interest of the Company in and to the following described property located in the State of Florida, together (subject to the provisions of Article X of the Indenture) with the tolls, rents, revenues, issues, earnings, income, products and profits thereof:



I

STEAM GENERATING PLANTS

1. All additions to Crist Steam Plant, formerly designated as Pensacola Steam Plant, located on Governor's Bayou and Thompson's Bayou near Pensacola, Florida in Escambia County, not heretofore described in the Indenture or any supplement thereto and not heretofore released from the lien of the Indenture.

Together with land in Escambia County upon which a portion of Access Road is located described as:

All that part of the west 80 feet of the east 380 feet of Lot 48 of the Packard Land Company Subdivision (Recorded in Deed Book 102 at page 111 of the Public Records of said county) in Section 23, Township 1 north, Range 30 west, lying east of the Gulf Power Company right-of-way, less the south 50 feet thereof for road purposes lying and being in the County of Escambia, State of Florida.

2. All additions to Scholz Steam Plant, formerly designated as River Junction Steam Plant, located on the west bank of the Apalachicola River in Jackson County near Chattahoochee, Florida, not heretofore described in the Indenture or any supplement thereto and not heretofore released from the lien of the Indenture.

3. All additions to Lansing Smith Steam Plant located on Alligator Bayou and North Bay near Panama City, Florida situated in Bay County, not heretofore described in the Indenture or any supplement thereto and not heretofore released from the lien of the Indenture.

II

ELECTRIC TRANSMISSION LINES

All the electric transmission lines of the Company acquired or constructed by it and not heretofore described in the Indenture or any supplement thereto and not heretofore released from the lien of the Indenture, including towers, poles, pole lines, wires, switch racks, switchboards, insulators and other

appliances and equipment, and all other property, real or personal, forming a part of or appertaining to or used, occupied or enjoyed in connection with such transmission lines or any of them, or adjacent thereto, and all service lines extending therefrom; together with all real property, rights of way, easements, permits, privileges, franchises and rights for or relating to the construction, maintenance or operation thereof, through, over, under or upon any private property or any public streets or highways within as well as without the corporate limits of any municipal corporation or other governmental subdivision, including property in the State of Florida described as:

1. Ocean City Transmission tap line extending from the Company's Ocean City Transmission Substation situated in Okaloosa County, a distance of 2.25 miles, more or less, to tap the Company's Valparaiso to Fort Walton 115 kv Line, also in Okaloosa County, Florida.

2. Geneva Transmission tap line extending from a tap in the Company's Crestview to Holmes Creek Transmission line to the Alabama State Line, a distance of 3.3 miles in Holmes County, Florida.

3. Arizona Chemical Transmission tap line extending 0.6 miles from a tap in the Company's Wewa Road to Tyndall Field Transmission Line situated in Bay County to substation site on Arizona Chemical Company property, also in Bay County, Florida.

4. Lansing Smith Steam Plant to Thomasville Transmission Line extending 66.9 miles from the Lansing Smith Steam Plant situated in Bay County to the Georgia State Line.

Together with permit upon which a portion of said transmission line is located described as:

Permit from the Government of the United States for an aerial transmission line across Apalachicola River near Chattahoochee, Florida.

and together with lands in Gadsden, Calhoun and Bay Counties upon which a portion of the right-of-way of said Transmission Line is located, described as:

Said strip is a part of a tract of land situated in Gadsden County, Florida, described as follows: Lot 431 of the Georgia Survey in Township four (4) north, Range five (5) west, Gadsden County, Florida.

Said strip is described as follows: A continuous strip of land seventy-five feet (75') in width lying northwesterly of, contiguous to and parallel with the one hundred twenty-five foot (125') right-of-way of the River Junction-Georgia State Line Transmission Line of Gulf Power Company as it now exists, the centerline of which existing right-of-way is described in the conveyance from Hamilton C. Forman, et ux to Gulf Power Company dated October 9, 1953 and recorded in Deed Book 104 at Page 342 in the Office of the Clerk of Circuit Court, Gadsden County, Florida.

The following described land in Calhoun County, Florida, to-wit:

That part of the south one-half ( $S\frac{1}{2}$ ) of the Southwest quarter ( $SW\frac{1}{4}$ ), the southwest quarter ( $SW\frac{1}{4}$ ) of the southeast quarter ( $SE\frac{1}{4}$ ), the north one-half ( $N\frac{1}{2}$ ) of the southeast quarter ( $SE\frac{1}{4}$ ) of Section six (6), Township one (1) south, Range eleven (11) west, Calhoun County, Florida, lying within a continuous strip of land one hundred fifty feet (150') in width, being seventy-five feet (75') on each side of a centerline and a continuation thereof, said centerline to begin at a point on the west boundary of said south one-half ( $S\frac{1}{2}$ ) of the southwest quarter ( $SW\frac{1}{4}$ ) of Section six (6) determined as follows: From the southwest corner of said Section six (6) run north along the west boundary thereof, a distance of two hundred eighty-four feet (284') to the point of beginning of said centerline, thence from said point of beginning run north 71 degrees 46 minutes east a distance of five thousand five hundred fifty-five feet (5,555'), more or less, to a point on the east boundary of said Section six (6).

ALSO:

That part of the north one-half ( $N\frac{1}{2}$ ) of the north one-half ( $N\frac{1}{2}$ ), the southwest quarter ( $SW\frac{1}{4}$ ) of the northwest quarter ( $NW\frac{1}{4}$ ) of Section four (4); the south one-half ( $S\frac{1}{2}$ ) of the northeast quarter ( $NE\frac{1}{4}$ ) of Section five (5), all lying and being in Township one (1) south, Range eleven (11) west, Calhoun County, Florida, lying within a continuous strip of land one hundred fifty feet (150') in width, being seventy-five feet (75') on each side of a centerline and a continuation thereof, said centerline to begin at a point on the north boundary of said Section four (4) determined as follows: From the northeast corner

of said Section four (4) run west along the north boundary thereof a distance of six hundred twenty-five feet (625') to the point of beginning of said centerline, thence from said point of beginning run south 71 degrees 46 minutes west a distance of seven thousand seven hundred fifty-one feet (7,751'), more or less, to a point on the west boundary of said south one-half ( $S\frac{1}{2}$ ) of the northeast quarter ( $NE\frac{1}{4}$ ) of Section five (5); also that certain parcel fifty feet (50') by approximately seventy-five feet (75') lying southeasterly of, and adjacent and contiguous to the strip of land hereinbefore described, at the northeastern end thereof, said parcel fifty feet (50') by approximately seventy-five feet (75') more particularly described as follows: A strip of land fifty feet (50') wide, being twenty-five feet (25') on each side of a centerline, said centerline to begin at a point on the north boundary of said Section four (4) determined as follows, to-wit, from the Northeast corner of said Section four (4), run west along the north boundary thereof a distance of six hundred twenty-five feet (625') to the Point of Beginning of said centerline, thence from said point of beginning run South 30 degrees 53 minutes East a distance of one hundred fifty feet (150') to a termination point, in the Northeast Quarter ( $NE\frac{1}{4}$ ) of the Northeast Quarter ( $NE\frac{1}{4}$ ) of said Section four (4), less that portion thereof lying within the one hundred fifty foot (150') wide strip hereinbefore described.

**ALSO:**

That part of the southwest quarter ( $SW\frac{1}{4}$ ) of the northwest quarter ( $NW\frac{1}{4}$ ) of Section nineteen (19), Township one (1) north, Range ten (10) west, Calhoun County, Florida, lying within a continuous strip of land one hundred fifty feet (150') in width, being seventy-five feet (75') on each side of a centerline and a continuation thereof, said centerline to begin at a point on the east boundary of said southwest quarter ( $SW\frac{1}{4}$ ) of the northwest quarter ( $NW\frac{1}{4}$ ) determined as follows: From the northeast corner of the southwest quarter ( $SW\frac{1}{4}$ ) of the northeast quarter ( $NE\frac{1}{4}$ ) of said Section nineteen (19), run south along the east boundary thereof, a distance of six feet (6') to a point, thence from said point run south 79 degrees 03 minutes west a distance of two thousand seven hundred seven feet (2,707') to the point of beginning of said centerline, thence from

said point of beginning continue south 79 degrees 03 minutes west a distance of one thousand three hundred seventy-five feet (1,375') more or less, to a point on the west boundary of said southwest quarter (SW $\frac{1}{4}$ ) of the northwest quarter (NW $\frac{1}{4}$ ) of Section nineteen (19).

ALSO:

That part of the northwest quarter (NW $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of Section nineteen (19), Township one (1) north, Range ten (10) west, Calhoun County, Florida, lying within a continuous strip of land one hundred fifty feet (150') in width, being seventy-five (75') on each side of a centerline and a continuation thereof, said centerline to begin at a point in the northeast quarter (NE $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of said Section nineteen (19) determined as follows: From the northeast corner of the southwest quarter (SW $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of said Section nineteen (19) run south along the east boundary thereof a distance of six feet (6') to a point, thence from said point run north 79 degrees 03 minutes east a distance of one hundred sixty feet (160') to the point of beginning of said centerline, thence from said point of beginning run south 79 degrees 03 minutes west a distance of two thousand eight hundred sixty-seven feet (2,867'), more or less, to a point on the west boundary of said southwest quarter (SW $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of Section nineteen (19).

ALSO:

That part of the southeast quarter (SE $\frac{1}{4}$ ) of the southeast quarter (SE $\frac{1}{4}$ ) of Section seventeen (17), Township one (1) north, Range ten (10) west, Calhoun County, Florida, lying within a continuous strip of land one hundred fifty feet (150') in width, being seventy-five feet (75') on each side of a centerline and a continuation thereof, said centerline to begin at a point in the southwest quarter (SW $\frac{1}{4}$ ) of the southwest quarter (SW $\frac{1}{4}$ ) of Section sixteen (16), Township one (1) north, Range ten (10) west, determined as follows: From the northeast corner of Section twenty (20), Township one (1) north, Range ten (10) west, run south along the east boundary thereof a distance of twenty-five feet (25') to a point, thence from said point run north 79 degrees 03 minutes east a distance of two hundred feet (200') to the point of beginning of

said centerline, thence from said point of beginning run south 79 degrees 03 minutes west, a distance of one thousand five hundred fifty feet (1,550'), more or less, to a point on the west boundary of the northeast quarter ( $NE\frac{1}{4}$ ) of the northeast quarter ( $NE\frac{1}{4}$ ) of said Section twenty (20).

A tract of land located in the East Half ( $E\frac{1}{2}$ ) of the Northwest Quarter ( $NW\frac{1}{4}$ ) of Section thirty-six (36), Township Two (2) South, Range Fifteen (15) West, more particularly described as follows: From the Southwest corner of the East Half ( $E\frac{1}{2}$ ) of the Northwest Quarter ( $NW\frac{1}{4}$ ) run East along the South boundary thereof a distance of six hundred sixty-nine and forty-seven one hundredths feet (669.47') to the POINT OF BEGINNING of said tract, thence from said point of beginning continue East along the South boundary of said East Half ( $E\frac{1}{2}$ ) of the Northwest Quarter ( $NW\frac{1}{4}$ ) a distance of five hundred thirty-one and thirty-one one hundredths feet (531.31') to a point, thence from said point run North 16 degrees 4 minutes 30 seconds West a distance of one thousand seven hundred sixty-seven and seventy-seven one hundredths feet (1,767.77') to a point on the Southeasterly boundary of lands of Grantee, thence from said point run South 27 degrees 20 minutes West a distance of one thousand three hundred twelve feet (1,312') along said Southeasterly boundary to a point, thence from said point run South 46 degrees 04 minutes East a distance of seven hundred seventy-nine and seventy-eight one hundredths feet (779.78') along the northeasterly boundary of lands of Grantee to the point of beginning; containing 21.7 acres, more or less, lying and being in the County of Bay and State of Florida.

That part of the west one-half ( $W\frac{1}{2}$ ) of the east one-half ( $E\frac{1}{2}$ ), the east one-half ( $E\frac{1}{2}$ ) of the Northwest quarter ( $NW\frac{1}{4}$ ) of Section seventeen (17); the northwest quarter ( $NW\frac{1}{4}$ ) of the northeast quarter ( $NE\frac{1}{4}$ ), the south one-half ( $S\frac{1}{2}$ ) of the northeast quarter ( $NE\frac{1}{4}$ ), the north one-half ( $N\frac{1}{2}$ ) of the southeast quarter ( $SE\frac{1}{4}$ ), the southeast quarter ( $SE\frac{1}{4}$ ) of the southeast quarter ( $SE\frac{1}{4}$ ), of Section Twenty (20); the west one-half ( $W\frac{1}{2}$ ) of the southwest quarter ( $SW\frac{1}{4}$ ) of Section twenty-eight (28); the east one-half ( $E\frac{1}{2}$ ) of the east one-half ( $E\frac{1}{2}$ ) of Section twenty-nine (29); the west one-half ( $W\frac{1}{2}$ ) of the west one-half ( $W\frac{1}{2}$ ), the southeast quarter ( $SE\frac{1}{4}$ ) of the southwest quarter ( $SW\frac{1}{4}$ ) of Section thirty-three (33), all lying and being in Township one (1) South, Range Fifteen (15) west, Bay County, Florida; the east one-half

(E $\frac{1}{2}$ ) of the west one-half (W $\frac{1}{2}$ ) of Section four (4); the east one-half (E $\frac{1}{2}$ ) of the west one-half (W $\frac{1}{2}$ ) of Section nine (9); the east one-half (E $\frac{1}{2}$ ) of the west one-half (W $\frac{1}{2}$ ), the southwest quarter (SW $\frac{1}{4}$ ) of the southeast quarter (SE $\frac{1}{4}$ ) of Section sixteen (16) all lying and being in Township two (2) south, Range fifteen (15) west, Bay County, Florida, lying within a continuous strip of land one hundred fifty feet (150') in width, being seventy-five feet (75') on each side of a centerline and a continuation thereof, said centerline to begin at a point on the north boundary of said Section seventeen (17) determined as follows: From the northeast corner of the northwest quarter (NW $\frac{1}{4}$ ) of the northwest quarter (NW $\frac{1}{4}$ ) of Section eighteen (18), Township one (1) south, Range fifteen (15) west, run east along the north boundaries of said Sections seventeen (17) and eighteen (18) a distance of six thousand three hundred ninety-nine feet (6,399') to the point of beginning of said centerline, thence from said point of beginning run south 10 degrees 47 minutes east a distance of twenty-five thousand two hundred sixty and eighty-five one hundredths feet (25,260.85') to an angle point, thence from said angle point run south 0 degrees 51 minutes east a distance of ten thousand seven hundred fifty-one and forty-one one hundredths feet (10,751.41') to an angle point, thence from said angle point run south 45 degrees 07 minutes east a distance of one thousand seven hundred seventy-four and forty-three one hundredths feet (1,774.43'), more or less, to a point in said southwest quarter (SW $\frac{1}{4}$ ) of the southeast quarter (SE $\frac{1}{4}$ ) of Section sixteen (16).

**ALSO:**

That part of the southwest quarter (SW $\frac{1}{4}$ ) of the southeast quarter (SE $\frac{1}{4}$ ) of Section sixteen (16); the north one-half (N $\frac{1}{2}$ ) of the northeast quarter (NE $\frac{1}{4}$ ), the southeast quarter (SE $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of Section twenty-one (21); the west one-half (W $\frac{1}{2}$ ) of the northwest quarter (NW $\frac{1}{4}$ ), the southeast quarter (SE $\frac{1}{4}$ ) of the northwest quarter (NW $\frac{1}{4}$ ), the north one-half (N $\frac{1}{2}$ ) of the southwest quarter (SW $\frac{1}{4}$ ), the west one-half (W $\frac{1}{2}$ ) of the southeast quarter (SE $\frac{1}{4}$ ), the southeast quarter (SE $\frac{1}{4}$ ) of the southeast quarter (SE $\frac{1}{4}$ ) of Section twenty-two (22); the west one-half (W $\frac{1}{2}$ ) of the northwest quarter (NW $\frac{1}{4}$ ), the southeast quarter (SE $\frac{1}{4}$ ) of the northwest quarter (NW $\frac{1}{4}$ ), the northeast quarter (NE $\frac{1}{4}$ ) of the south-

west quarter (SW $\frac{1}{4}$ ), the west one-half (W $\frac{1}{2}$ ) of the southeast quarter (SE $\frac{1}{4}$ ), the southeast quarter (SE $\frac{1}{4}$ ) of the southeast quarter (SE $\frac{1}{4}$ ) Section twenty-six (26); the northeast quarter (NE $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of Section twenty-seven; the northeast quarter (NE $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of Section thirty-five (35); the west one-half (W $\frac{1}{2}$ ) of the northwest quarter (NW $\frac{1}{4}$ ) of Section thirty-six (36), all lying and being in Township two (2) south, Range fifteen (15) west, Bay County, Florida, lying within a continuous strip of land and a continuation thereof, one hundred feet (100') in width lying northeasterly of, contiguous to, and parallel with the one hundred foot (100') right-of-way of the Lansing Smith Steam Plant-Laguna Beach Transmission line of Gulf Power Company as it now exists, the centerline of which existing right-of-way is described in the conveyance from St. Joe Paper Company to Gulf Power Company, filed and recorded on July 14, 1961, in Official Records Book 44, at pages 262-268 in the office of the Clerk of Circuit Court, Bay County, Florida.

**ALSO:**

That part of the Northeast quarter (NE $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ), the south one-half (S $\frac{1}{2}$ ) of the northeast quarter (NE $\frac{1}{4}$ ), the north one-half (N $\frac{1}{2}$ ) of the Southwest quarter (SW $\frac{1}{4}$ ), the south one-half (S $\frac{1}{2}$ ) of the northwest quarter (NW $\frac{1}{4}$ ), of Section eleven (11), Township one (1) south, Range twelve (12) west, Bay County, Florida, lying within a continuous strip of land one hundred fifty feet (150') in width, being seventy-five feet (75') on each side of a centerline and a continuation thereof, said centerline to begin at a point on the west boundary of said north one-half (N $\frac{1}{2}$ ) of the southwest quarter (SW $\frac{1}{4}$ ) of Section eleven (11) determined as follows: From the northwest corner of the southwest quarter (SW $\frac{1}{4}$ ) run south along the west boundary thereof a distance of five hundred thirteen and eighty-five one hundredths feet (513.85') to the point of beginning of said centerline, thence from said point of beginning run north 71 degrees 46 minutes east a distance of five thousand six hundred sixty-three feet (5,663'), more or less, to a point on the east boundary of said Section eleven (11);

**ALSO:**

That part of the northwest quarter (NW $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ), the northeast quarter (NE $\frac{1}{4}$ ) of the northwest quarter



(NW $\frac{1}{4}$ ) of Section twelve (12), Township one (1) south, Range twelve (12) West, Bay County, Florida, lying within a continuous strip of land one hundred fifty feet (150') in width, being seventy-five feet (75') on each side of a centerline and a continuation thereof, said centerline to begin at a point on the west boundary of said northeast quarter (NE $\frac{1}{4}$ ) of the northwest quarter (NW $\frac{1}{4}$ ) of Section twelve (12) determined as follows: From the northwest corner of the southwest quarter (SW $\frac{1}{4}$ ) of the Northwest quarter (NW $\frac{1}{4}$ ) of said Section twelve (12), run south along the west boundary thereof a distance of fifty-six feet (56') to a point, thence from said point run north 71 degrees 46 minutes east a distance of one thousand three hundred and seventy feet (1,370') to the point of beginning of said centerline, thence from said point of beginning continue north 71 degrees 46 minutes east a distance of two thousand eight hundred fifteen feet (2,815'), more or less, to a point on the east boundary of said northwest quarter (NW $\frac{1}{4}$ ) of the Northeast quarter (NE $\frac{1}{4}$ ) of Section twelve (12).

5. Crist Steam Plant to Brentwood Substation Transmission Line No. 2 extending from the Company's Crist Steam Plant situated in Escambia County a distance of 7.5 miles to the Company's Brentwood Substation also situated in Escambia County, Florida.

Together with land in Escambia County upon which a portion of the right-of-way of said Transmission Line is located, described as:

All that part of fractional Section seventeen (17), Township one (1) north, Range thirty (30) west and also Lot one (1) or the northeast quarter (NE $\frac{1}{4}$ ) of Section eighteen (18), Township one (1) north, Range thirty (30) west, Escambia County, Florida lying within a continuous strip of land two hundred fifty feet (250') in width being seventy-five feet (75') on the northeasterly and northerly side and one hundred seventy-five feet (175') on the southwesterly and southerly side of a survey line and a continuation thereof, said survey line to begin at a point on the west boundary of said Lot one (1) or the northeast one quarter (NE $\frac{1}{4}$ ) of said Section eighteen (18) determined as follows: From the northwest corner of said Lot one (1) run south along the west boundary thereof a distance of seventy-five and one tenth feet (75.1') to the point south 88°39'30" east a distance of two thousand one hundred twenty-two of beginning of said survey line, thence from said point of beginning run and eight tenths feet (2,122.8') to an angle point, thence from said

angle point run south  $43^{\circ}34'30''$  east a distance of two thousand four hundred fifty-two and two tenths feet (2,452.2') to an angle point, thence from said angle point, run south  $48^{\circ}12'$  east a distance of five hundred ninety-five feet (595'), more or less, to a point on the east boundary of said fractional Section seventeen (17).

6. Crist Steam Plant to Barry Transmission Line extending from the Company's Crist Steam Plant situated in Escambia County a distance of 31.55 miles, more or less, to the Alabama State Line.

Together with lands in Escambia County upon which a portion of the right-of-way of said Transmission Line is located, described as:

That portion of government Lot 2, Section Fourteen (14), Township One (1) North, Range Thirty (30) West lying South of Gonzalez Road (Also known as Chemstrand Road) containing one and one tenth (1.1) acres, more or less, in the County of Escambia, State of Florida.

Two tracts of land lying in Section Eighteen (18), Township One (1) north, Range Thirty (30) west, Escambia County, Florida, described as follows:

(1) The north two hundred fifty feet (250') of the east one thousand seventy-three and five tenths feet (1,073.5') of the northwest quarter ( $NW\frac{1}{4}$ ) of said Section Eighteen (18), containing six and sixteen hundredths (6.16) acres, more or less.

(2) The west two hundred fifteen feet (215') of the east one thousand two hundred eighty-eight and five tenths feet (1,288.5') of the north two hundred ninety and four tenths feet (290.4') of the northwest quarter ( $NW\frac{1}{4}$ ) of said Section Eighteen (18), containing one and forty-three hundredths (1.43) acres, more or less.

#### A. (250 FOOT STRIP OF LAND)

Said strip is a part of a tract of land situated in Escambia County, Florida, described as follows: The southwest quarter of the southeast quarter ( $SW\frac{1}{4}$  of  $SE\frac{1}{4}$ ), the southeast quarter of the southwest quarter ( $SE\frac{1}{4}$  of  $SW\frac{1}{4}$ ), the north half of the southwest quarter ( $N\frac{1}{2}$  of  $SW\frac{1}{4}$ ), and the southwest quarter of the northwest quarter ( $SW\frac{1}{4}$  of  $NW\frac{1}{4}$ ) of Section

thirty-five (35); the east half of the southeast quarter of the northeast quarter ( $E\frac{1}{2}$  of  $SE\frac{1}{4}$  of  $NE\frac{1}{4}$ ) the north half of the northeast quarter ( $N\frac{1}{2}$  of  $NE\frac{1}{4}$ ), and the northeast quarter of the northwest quarter ( $NE\frac{1}{4}$  of  $NW\frac{1}{4}$ ) of Section thirty-four (34); the southwest quarter of the southeast quarter ( $SW\frac{1}{4}$  of  $SE\frac{1}{4}$ ), the south half of the southwest quarter ( $S\frac{1}{2}$  of  $SW\frac{1}{4}$ ), and the northwest quarter of the southwest quarter ( $NW\frac{1}{4}$  of  $SW\frac{1}{4}$ ) of Section twenty-seven (27); the northeast quarter of the southeast quarter ( $NE\frac{1}{4}$  of  $SE\frac{1}{4}$ ), the southeast quarter of the northeast quarter ( $SE\frac{1}{4}$  of  $NE\frac{1}{4}$ ), the west half of the northeast quarter ( $W\frac{1}{2}$  of  $NE\frac{1}{4}$ ), and that part of the northeast quarter of the northwest quarter ( $NE\frac{1}{4}$  of  $NW\frac{1}{4}$ ) of Section twenty-eight (28) lying east of McDavid Creek, all lying and being in Township three (3) north, Range thirty-two (32) west.

Said strip is described as follows: A continuous strip of land two hundred fifty feet (250') in width being seventy-five feet (75') on the northeasterly side and one hundred seventy-five feet (175') on the southwesterly side of a survey line and a continuation thereof, said survey line to begin at a point on the south boundary of the southwest quarter of the southeast quarter ( $SW\frac{1}{4}$  of  $SE\frac{1}{4}$ ) of Section thirty-five (35), Township three (3) north, Range thirty-two (32) west, determined as follows: From the southeast corner of said Section thirty-five (35) run west along south boundary thereof a distance of one thousand seven hundred thirty-five and one tenth feet (1735.1') to the point of beginning of said survey line, thence from said point of beginning run north  $48^{\circ}15'$  west a distance of five thousand six hundred twenty-four and nine tenths feet (5,624.9'), more or less, to a point on the west boundary of the east half of the southeast quarter of the northeast quarter ( $E\frac{1}{2}$  of  $SE\frac{1}{4}$  of  $NE\frac{1}{4}$ ) of Section thirty-four (34), Township three (3) north, Range thirty-two (32) west.

Begin again with said survey line at a point on the south boundary of the north half of the northeast quarter ( $N\frac{1}{2}$  of  $NE\frac{1}{4}$ ) of Section thirty-four (34), Township three (3) north, Range thirty-two (32) west, determined as follows: From the southeast corner of said Section thirty-four (34) run north along east boundary thereof a distance of three thousand four and six tenths feet (3004.6') to a point, thence from said point run north  $48^{\circ}15'$  west a distance of one thousand four hundred ninety-five and four tenths feet (1495.4') to the point of beginning of said survey line, thence from said point of beginning continue north  $48^{\circ}15'$  west a distance of eight thousand eighty-eight feet (8088') to an angle point, thence from said angle point run north  $57^{\circ}42'$  west a distance of one thousand two

hundred sixty-three feet (1263'), more or less, to a point in the center of stream of McDavid Creek in the northeast quarter of the northwest quarter (NE $\frac{1}{4}$  of NW $\frac{1}{4}$ ) of Section Twenty-eight (28), Township Three (3) north, Range Thirty-two (32) west.

**B. (25 FOOT STRIP OF LAND)**

Also, that part of the northwest quarter (NW $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of Section Twenty-eight (28), Township three (3) north, Range Thirty-two (32) west, Escambia County, Florida, lying within a continuous strip of land twenty-five feet (25') in width, being twelve and five tenths feet (12.5') on each side of a centerline and a continuation thereof, said centerline to begin at a point in said northwest quarter (NW $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of Section Twenty-eight (28) determined as follows: From the southeast corner of Section Thirty-four (34), Township three (3) north, Range Thirty-two (32) west run north along the east boundary thereof a distance of three thousand four and six tenths feet (3,004.6') to a point, thence from said point run north 48°15' west a distance of nine thousand five hundred eighty-three and four tenths feet (9,583.4') to a point, thence from said point run north 37°01'30" east a distance of seventy-five and twenty-six hundredths feet (75.26') to the point of beginning of said centerline, thence from said point of beginning continue north 37°01'30" east a distance of sixty feet (60'), more or less, to a point in said northwest quarter (NW $\frac{1}{4}$ ) of the northeast quarter (NE $\frac{1}{4}$ ) of Section Twenty-eight (28).

7. Valparaiso to Ocean City Transmission line now under construction extending from the Company's Valparaiso Substation situated in Okaloosa County a distance of 11.02 miles, more or less, to the Company's Ocean City Substation, also situated in Okaloosa County, Florida.

Together with permit granted to the Company by the Government of the United States for an aerial transmission line across a portion of Eglin Air Force Base situated in Okaloosa County, Florida dated October 31, 1968 upon which a portion of said transmission line is located.

8. Vernon Tap Transmission Line extending from the Company's Vernon Substation situated in Washington County a distance of .776 miles to tap the Company's Millers Ferry to Highland City Transmission Line also in Washington County.

Together with land in Washington County upon which a portion of the right-of-way of said Transmission Line is located, described as:

A parcel of land in the NW $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 16, Township 2 North, Range 15 West more particularly described as follows: Commencing at the Southwest corner of the said NW $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 16, Township 2 North, Range 15 West, run East along the South boundary line thereof a distance of 115.3 feet to the Point of Beginning of the tract of land herein described; thence from said Point of Beginning run East along said South boundary line a distance of approximately 179 feet to the intersection of the West boundary line of State Road S-277 right-of-way were said State Road right-of-way extended South, thence North along said right-of-way (were it extended) to the Southeasterly boundary of existing County public road, thence run Southwesterly along said County public road to the Point of Beginning.

9. Beach Haven to Innerarity Transmission Line extending from the Company's Beach Haven Substation situated in Escambia County a distance of 2.97 miles, more or less, to Dog Track Road, also situated in Escambia County, Florida.

10. Brentwood to Bellview Transmission Line extending from the Company's Brentwood Substation situated in Escambia County a distance of 2.34 miles, more or less, to the Company's Bellview Switching Substation, also situated in Escambia County, Florida.

11. Paxton Tap Transmission Line extending from a switch structure on the Crestview to Florala Transmission Line in Okaloosa County 3.241 miles, more or less, to the Company's Paxton Substation, also situated in Okaloosa County, Florida.

### III

#### DISTRIBUTION SYSTEMS

All the electric distribution systems of the Company acquired or constructed by it and not heretofore described in the Indenture or any supplement thereto and not heretofore released from the lien of the Indenture, including

substations, transformers, switchboards, towers, poles, wires, insulators, subways, trenches, conduits, manholes, cables, meters and other appliances and equipment and all other property, real or personal, forming a part of or appertaining to or used, occupied or enjoyed in connection with such distribution systems or any of them, or adjacent thereto; together with all real property, rights of way, easements, permits, privileges, franchises, and rights for or relating to the construction, maintenance or operation thereof, through, over, under or upon any private property or any public streets or highways within as well as without the corporate limits of any municipal corporation or other governmental subdivision, property in the State of Florida described as:

(a) Permit from the Government of the United States for submarine cable across Bayou Texar situated in Escambia County, Florida dated January 3, 1968.

(b) Permit from the Government of the United States for Aerial transmission line across Bayou Chico in Escambia County, Florida dated June 14, 1967.

(c) Permit from the Government of the United States for Aerial transmission line across Bayou Grande in Escambia County, Florida dated March 7, 1967.

(d) Beach Haven Substation in Escambia County, Florida to the U. S. Naval Air Station also in Escambia County, Florida, distribution line feeder, together with land in Escambia County upon which a portion of right-of-way of said Feeder Line is located, described as:

Lot One (1) in Block Forty (40) of Beach Haven, being a part of the Pablo Graupera Grant, Sections 35 and 54, Township 2 South, Ranges 31 and 30 West, Escambia County, Florida; according to plat of subdivision of Beach Haven recorded in Deed Book #46, at page #51 of the public records of Escambia County, Florida.

#### IV

#### SUBSTATIONS

All of the substations of the Company for transforming or distributing or otherwise regulating electric current at any of its plants and elsewhere

acquired or constructed by it and not heretofore described in the Indenture or any supplement thereto and not heretofore released from the lien of the Indenture, together with all buildings, transformers, wires, insulators and other appliances and equipment, and all other property, real or personal, forming a part of or appertaining to or used, occupied or enjoyed in connection with any of such substations or adjacent thereto, property in the State of Florida described as:

1. Munson Road Substation situated in Santa Rosa County, Florida, located on land described as:

That portion of Sections 25 and 26, Township 2 North, Range 28 West, Santa Rosa County, Florida, described as follows: Commencing at the Northeast corner of said section 26; thence Southerly 2 degrees 19 minutes East, along East line of said Section; a distance of 1576.7 feet, to a point in the center line of Gulf Power Company right of way; thence along said right of way, South 55 degrees 59 minutes West, a distance of 17.02 feet to the point of beginning; thence North 34 degrees 01 minutes West, 50.0 feet to an iron rod; thence South 55 degrees 59 minutes West, 293.16 feet to an iron rod; thence South 51 degrees 41 minutes East, 376.60 feet to an iron rod in the West right of way line of State Road No. 191 (Munson Road) 100 foot right of way; thence along said right of way North 18 degrees 59 minutes 20 seconds East, a chord distance of 98.86 feet to an iron rod; thence along said right of way North 19 degrees 21 minutes East, a chord distance of 124.57 feet to an iron rod; thence North 34 degrees 01 minutes West 175.04 feet to the Point of Beginning, containing 1.665+ acres.

2. Scenic Hills Substation situated in Escambia County, Florida, located on land described as:

A parcel of land in Government Lot 3, Section 13, Township 1 South, Range 30 West, described as follows: Beginning at a point 30 feet west of the east line and 20 feet north of the south line of said Lot 3, thence west 420 feet, thence north 630 feet, thence east 420 feet, thence south parallel to the east line of said Lot 3 a distance of 630 feet to the point of beginning.

3. Bellview Switching Substation situated in Escambia County, Florida, located on land described as:

Commencing at the intersection of the south line of Section 39, Township 1 South, Range 30 West, Escambia County, Florida, and the east line of Memphis Avenue of the Pensacola Acres Subdivision as recorded in Plat Book 1 at Page 23 of the Public Records of said county; thence run north along the east line of Memphis Avenue for 428.81 feet to a point which is on an extension of the North Line of Mississippi Avenue; thence 70°54' right and parallel to the south line of Section 39 for 375.00 feet; thence 90°00' right for 405.20 feet to the south line of Section 39; thence 90°00' right and along said south line of Section 39 for 515.32 feet to the point of beginning; LESS and Except the south 12 feet thereof, for public road right-of-way as described in Official Record Book 387, Pages 482 and 483 of Public Records of said county.

4. Vernon Substation situated in Washington County, Florida, located on land described as:

The Northwest Quarter of the Southwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$  of SW $\frac{1}{4}$  of SE $\frac{1}{4}$ ) of Section Sixteen (16), Township Two (2) North, Range Fifteen (15) West, containing ten acres, more or less.

5. Innerarity Substation situated in Escambia County, Florida, located on land described as:

That part of the North 653.6 feet of Government Lot 5, Section 12, Township 3 South, Range 32 West lying Easterly of State Road 293 and Southerly of Bayou Garcon; also that part of the North 653.6 feet of the West  $\frac{1}{2}$  of Government Lot 6, Section 12, Township 3 South, Range 32 West lying Southerly and Easterly of Bayou Garcon.

6. Paxton Substation situated in Walton County, Florida, located on land described as:

Commencing at the SE corner of SW $\frac{1}{4}$  of SE $\frac{1}{4}$  of Section 35, Township 6 North, Range 21 West; thence North 00 degrees 16 minutes 04 seconds East (T.B.) 28.83 feet to the North right-of-way



line of State Road S-180; thence South 87 degrees 46 minutes 41 seconds West along said right-of-way line 5.00 feet to the POB; thence continue South 87 degrees 46 minutes 41 seconds West 300 feet; thence North 00 degrees 16 minutes 04 seconds East 300 feet; thence North 87 degrees 46 minutes 41 seconds East 300 feet; thence South 00 degrees 16 minutes 04 seconds West 300 feet to the POB containing 2.064 acres in Walton County, Florida.

7. Pittman Substation situated in Holmes County, Florida, to be located on land described as:

Commencing at the SE corner of Section 6, Township 6 North, Range 16 West: Thence North  $01^{\circ} 36' 00''$  E (SRD bearing datum) along the East line of said Section 6—208.79' to the North R/W line of State Road No. 2, said point also being the point of beginning; thence S  $89^{\circ} 42' 00''$  W along said North R/W line, 200'; thence N  $01^{\circ} 36' 00''$  E, 252.51' to a point; thence N  $78^{\circ} 10' 12''$  E. (equation to Gulf Power bearing datum equals N  $77^{\circ} 22'$  E.), 205.51', to the East line of said Section 6; thence S  $01^{\circ} 36' 00''$  W., 293.61' to the P. O. B., containing 1.25 acres.

8. Shoal River Substation situated in Okaloosa County, Florida, located on land described as:

The north six hundred sixty feet (660') of the northwest quarter ( $NW\frac{1}{4}$ ) of the southwest quarter ( $SW\frac{1}{4}$ ) of Section thirty-three (33), Township three (3) north, Range twenty-three (23) west.

9. Molino Crossroads Substation situated in Escambia County, Florida to be located on land described as:

That portion of the Northeast  $\frac{1}{4}$  of Section 4, Township 2 North, Range 31 West, Escambia County, Florida, described as follows: Commencing at the Southwest corner of said Northeast  $\frac{1}{4}$ , thence South  $88^{\circ} 26'$  East, 61.44 feet; thence North  $1^{\circ} 59'$  West, 50.0 feet, to a State Road Department concrete right-of-way marker at the intersection of the North right-of-way line of State Road No. S-182 (100 ft. R/W) and the East Right-of-way line of State Road No. 95 (200 ft. R/W); thence South  $88^{\circ} 26'$  East along the North

right-of-way line of said State Road No. S-182, 376.58 feet; thence North  $1^{\circ} 34'$  East, 300.0 feet to an iron rod, for the point of beginning; thence continue North  $1^{\circ} 34'$  East, 300.0 feet, to an iron rod; thence North  $88^{\circ} 26'$  West, 372.30 feet, to an iron rod on the East right-of-way line of said State Road No. 95; thence South  $1^{\circ} 59'$  West, along said right-of-way line of State Road 95, 300.0 feet to an iron rod; thence South  $88^{\circ} 26'$  East, 374.45 feet, to an iron rod at the point of beginning, containing 2.572 acres, more or less.

10. Molino Transmission Substation situated in Escambia County, Florida, to be located on land described as:

That portion of Section 9, Township 2 North, Range 31 West, Escambia County, Florida, described as follows:

Commencing at a Concrete Monument at the Southeast Corner of said Section; thence South  $88^{\circ} 13' 50''$  West along the South line of said section a distance of 2509.0 feet to a Concrete Monument in the East right-of-way line of Florida State Road No. 95; thence North  $1^{\circ} 14' 30''$  West along said right-of-way line, 1651.0 feet to a Concrete Monument for the point of beginning; thence continue North  $1^{\circ} 14' 30''$  West along said right-of-way line, 330.2 feet to a Concrete Monument; thence North  $88^{\circ} 15' 15''$  East, 1186.7 feet to a Concrete Monument; thence South  $1^{\circ} 17' 40''$  East, 330.1 feet to a Concrete Monument; thence South  $88^{\circ} 15' 00''$  West, 1187.0 feet to the point of beginning containing 9.00 acres, more or less; and,

That portion of Section 9, Township 2 North, Range 31 West, Escambia County, Florida, described as follows:

Commencing at a Concrete Monument at the South East Corner of said Section; thence South  $88^{\circ} 13' 50''$  West along the South Line of said section a distance of 2509.0 feet to a Concrete Monument in the East right-of-way line of Florida State Road No. 95; thence North  $1^{\circ} 14' 30''$  West along said right-of-way line, 1981.2 feet to a Concrete Monument for the point of beginning; thence continue North  $1^{\circ} 14' 30''$  West along said right-of-way line, 330.2 feet to a Concrete Monument; thence North  $88^{\circ} 15' 25''$  East, 1186.4 feet to a Concrete Monument; thence South  $1^{\circ} 17' 40''$  East, 330.1 feet to a Concrete Monument; thence South  $88^{\circ} 15' 15''$  West,

1186.7 feet to the point of beginning containing 8.99 acres, more or less; and, LESS one-half ( $\frac{1}{2}$ ) of minerals reserved by Edna W. Adderley, recorded in Deed Book 428, at Page 206 of the public records of Escambia County, Florida.

11. Addition to Highland City Substation situated in Bay County, Florida located on land described as:

The North 40 feet of Tract 9, Block 32, St. Andrews Bay Farm and Fruit Company's Plat of Highland City, Florida, recorded in Plat Book 4 at Page 28, in the office of the Clerk of the Circuit Court of Bay County, Florida.

## V

### OTHER REAL PROPERTY

All other real property of the Company and all interests therein of every nature and description and wherever located acquired by it and not heretofore described in the Indenture or any supplement thereto and not heretofore released from the lien of the Indenture including property in the State of Florida described as:

1. Land situate, lying and being in the County of Okaloosa, State of Florida, to-wit:

Commencing at the NE corner of Section 1, Township 1 South, Range 23 West, run N 88° 47' W 196.80 ft. to a concrete monument, to point of beginning of tract hereby conveyed, thence S 12° 47' W 593.41 ft. to a concrete monument, thence N 88° 58' W 700.00 ft. to a concrete monument, thence N 12° 47' E 595.66 ft., thence S 88° 47' E 700.0 ft. to point of beginning, all lying in the NE $\frac{1}{4}$  of Section 1, Township 1 South, Range 23 West, Okaloosa County, Florida.

2. Land situate, lying and being in the County of Washington, State of Florida, to-wit:

A parcel of land bounded by commencing at the Northeast Corner of Section 23, Township 2 North, Range 16 West, thence South 00 degrees 29 minutes 30 seconds West along the Eastern boundary line

of said Section a distance of 1,507.8 feet, thence North 89 degrees 35 minutes West 436.42 feet to the Western right of way of State Road #79, thence Northerly along said right of way 153.50 feet to the POINT OF BEGINNING; thence North 89 degrees 12 minutes West 450.0 feet, thence North 00 degrees 48 minutes East 450.0 feet, thence South 89 degrees 12 minutes East 531.0 feet to the Western right of way of State Road #79, thence Southerly along said right of way 456.8 feet to the point of beginning; all lying and being in the Northeast Quarter (NE¼ ) of said Section 23.

3. Land situate, lying and being in the County of Jackson, State of Florida, to-wit:

Commencing at the SW Corner of Section 11, Township 6 North, Range 13 West, thence North 00°42' East, 2661 feet along the West line of said Section 11; thence South 89°22' East, 20 feet to the point of beginning; thence North 00°42' East, 297.90 feet, thence South 53°24' East, 507.10 feet, thence North 89°22' West, 410.70 feet to the point of beginning, in SW¼ of NW¼ of Section 11, Township 6 North, Range 13 West, in Jackson County, Florida.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the premises, property, franchises and rights, or any thereof, referred to in the foregoing granting clauses, with the reversion and reversions, remainder and remainders and (subject to the provisions of Article X of the Indenture) the tolls, rents, revenues, issues, earnings, income, products and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid premises, property, franchises and rights and every part and parcel thereof.

TO HAVE AND TO HOLD all said premises, property, franchises and rights hereby conveyed, assigned, pledged or mortgaged, or intended so to be, unto the Trustees, their successor or successors in trust, and their assigns forever;

BUT IN TRUST, NEVERTHELESS, with power of sale, for the equal and proportionate benefit and security of the holders of all bonds and interest coupons now or hereafter issued under the Indenture, as supplemented and

amended, pursuant to the provisions thereof, and for the enforcement of the payment of said bonds and coupons when payable and the performance of and compliance with the covenants and conditions of the Indenture, as supplemented and amended, without any preference, distinction or priority as to lien or otherwise of any bond or bonds over others by reason of the difference in time of the actual issue, sale or negotiation thereof or for any other reason whatsoever, except as otherwise expressly provided in the Indenture, as supplemented and amended; and so that each and every bond now or hereafter issued thereunder shall have the same lien, and so that the principal of and premium, if any, and interest on every such bond shall, subject to the terms of the Indenture, as supplemented and amended, be equally and proportionately secured thereby and hereby, as if it had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery of the Indenture.

AND IT IS EXPRESSLY DECLARED that all bonds issued and secured thereunder and hereunder are to be issued, authenticated and delivered, and all said premises, property, franchises and rights hereby and by the Indenture, as supplemented and amended, conveyed, assigned, pledged or mortgaged, or intended so to be (including all the right, title and interest of the Company in and to any and all premises, property, franchises and rights of every kind and description, real, personal and mixed, tangible and intangible, thereafter acquired by the Company and whether or not specifically described in the Indenture or in any indenture supplemental thereto, except any therein expressly excepted), are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes in the Indenture expressed, and it is hereby agreed as follows:

SECTION 1. There is hereby created a series of bonds designated as hereinabove set forth (said bonds being sometimes herein referred to as the "bonds of the Twelfth Series"), and the form thereof and of the appurtenant coupons shall be substantially as hereinbefore set forth. Bonds of the Twelfth Series shall mature on March 1, 1999, and may be issued as coupon bonds in the denomination of \$1,000 each, registrable as to principal, or as registered bonds, or in part as coupon bonds and in part as registered bonds. Registered bonds of the Twelfth Series shall be in such denominations as the Board of Directors shall approve, and execution and delivery thereof to the Trustee for authentication shall be conclusive evidence of such approval. The

serial numbers of bonds shall be such as may be approved by any officer of the Company, the execution thereof by any such officer to be conclusive evidence of such approval.

Bonds of the Twelfth Series, until the principal thereof shall have become due and payable, shall bear interest at the annual rate designated in the title thereof, payable semi-annually on September 1 and March 1 in each year.

The principal of and premium, if any, and the interest on the bonds of the Twelfth Series shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, at the office or agency of the Company in the Borough of Manhattan, The City of New York, designated for that purpose.

Coupon bonds of the Twelfth Series and unregistered temporary bonds of the Twelfth Series shall be dated as of March 1, 1969. Registered bonds of the Twelfth Series shall be dated as set forth in the form thereof hereinbefore set forth. Coupon bonds and registered bonds of the Twelfth Series of like aggregate principal amount of authorized denominations shall be interchangeable, and registered bonds shall be exchangeable for registered bonds of other authorized denominations having the same aggregate principal amount, at the option of the holders.

Any or all of the bonds of the Twelfth Series shall be redeemable at the option of the Company, or by operation of various provisions of the Indenture, at any time and from time to time, prior to maturity, upon notice published at least once in each of four consecutive calendar weeks (upon any day in each such week), the first publication to be at least thirty days and not more than forty-five days prior to the date fixed for redemption, in one newspaper (which need not be the same newspaper for each such publication) printed in the English language and customarily published at least once a day for at least five days in each calendar week and of general circulation in the Borough of Manhattan, The City of New York (provided that publication of such notice shall not be required in case all the bonds to be redeemed are registered bonds without coupons and/or coupon bonds registered as to principal and the Company or the Trustee shall have mailed, by registered mail postage prepaid, notice of redemption not less than thirty nor more than forty-five days prior to the date fixed for redemption to each registered holder of a bond to be redeemed [in whole or in part] at the last address of such holder appearing on the registry books, and provided further that there need not be included

in a published notice the number of any bond called for redemption it a notice of redemption thereof has been so mailed to the registered holder thereof), at the principal amount thereof and accrued interest thereon to the date fixed for redemption, together, if redeemed otherwise than by the operation of Section 2.12 or 7.07 of the Indenture or of Section 4 of the Supplemental Indenture dated as of October 1, 1964 or of Section 2 of this Supplemental Indenture or of the sinking or improvement fund provisions of any Supplemental Indenture other than this Supplemental Indenture and otherwise than by the use of proceeds of released property, with a regular redemption premium equal to a percentage of the principal amount thereof determined as set forth in the tabulation appearing in the forms of bonds hereinbefore set forth, and, if redeemed by the operation of Section 2.12 or 7.07 of the Indenture or of Section 4 of the Supplemental Indenture dated as of October 1, 1964 or of Section 2 of this Supplemental Indenture or of the sinking or improvement fund provisions of any Supplemental Indenture other than this Supplemental Indenture or by the use of proceeds of released property, either (a) with a special redemption premium, if any, equal to a percentage of the principal amount thereof determined as set forth in the tabulation appearing in the forms of bonds hereinbefore set forth or (b), if no special redemption premium is so set forth, then without premium.

The holder of any coupon bond of the Twelfth Series may have the ownership thereof registered as to principal at the principal office of the Trustee, in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of said bond shall be valid unless made at said office by the registered owner in person or by his duly authorized attorney and similarly noted on such bond; but the same may be discharged from registry by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery and shall remain payable to bearer. Registered bonds of the Twelfth Series may be transferred at the principal office of the Trustee, in the Borough of Manhattan, The City of New York.

SECTION 2. The Company covenants that, so long as any bonds of the Twelfth Series shall be outstanding under the Indenture, it will, on or before June 1 in each year commencing with June 1, 1970:

(a) deposit with the Trustee subject to the provisions of this Section cash and/or bonds of any series authenticated under the Indenture then outstanding (taken at their principal amount) in an amount equal to the "improvement fund requirement" (which term, as used in this Section, shall mean for any year an amount equal to one per centum (1%) of the aggregate principal amount of bonds of the Twelfth Series authenticated and delivered by the Trustee pursuant to the provisions of Articles IV, V and VI of the Indenture, prior to January 1 of that year, after deducting from such aggregate principal amount the principal amount of bonds of the Twelfth Series which, prior to January 1 of that year, have been deposited with the Trustee for cancellation as the basis for the release of property or for the withdrawal of cash representing proceeds of released property or have been purchased or redeemed by the use of proceeds of released property); or,

(b) to the extent that it does not so deposit cash and/or bonds, certify to the Trustee unfunded net property additions in an amount equal to one hundred sixty-six and two-thirds per centum ( $166\frac{2}{3}\%$ ) of the portion of the improvement fund requirement not so satisfied;

provided, however, that, so long as Section 2.12 of the Indenture shall remain in effect, compliance with the requirements of said Section 2.12 shall constitute compliance with the requirements of this Section.

The term "improvement fund certificate", as used in this Section, shall mean an accountant's certificate filed by the Company with the Trustee pursuant to this Section. Such certificate may be a separate certificate or it may be combined with an improvement fund certificate or certificates filed pursuant to the improvement fund provisions of the Indenture or of any other indenture or indentures supplemental thereto.

On or before the first day of June in each year, beginning June 1, 1970, so long as any bonds of the Twelfth Series are outstanding under the Indenture, the Company shall (if Section 2.12 of the Indenture is no longer in effect) deliver to the Trustee an improvement fund certificate showing the improvement fund requirement for that year, the amount of cash, if any,



and the principal amount of bonds authenticated under the Indenture then outstanding, if any, then to be deposited by the Company with the Trustee and, if the Company elects to satisfy the improvement fund requirement for that year in whole or in part by the certification of unfunded net property additions, the amount, if any, of unfunded net property additions to be certified. The Company shall, concurrently with the delivery to the Trustee of such certificate, deposit with the Trustee the amount of cash, if any, and the principal amount of bonds, if any, shown in such certificate.

No property additions shall be certified in any improvement fund certificate pursuant to the provisions of this Section unless there shall be delivered to the Trustee with such certificate the applicable certificates, opinion of counsel, instruments and cash, if any, required by paragraphs (3), (4), (5), (7), (9) and (10) of Section 4.05 of the Indenture, showing that the Company has unfunded net property additions equal to the amount so certified.

The Trustee shall hold any cash deposited with it under the provisions of this Section as a part of the mortgaged and pledged property until paid out as hereinafter provided. Any cash deposited with the Trustee under the provisions of this Section may, upon receipt by the Trustee of the written order of the Company signed by its President or a Vice-President, of a treasurer's certificate such as is described in paragraph (2) of Section 4.05 of the Indenture and of an opinion of counsel,

(1) be withdrawn, used or applied by the Company in accordance with the provisions of paragraph (2), (3) or (4) of Section 10.05 of the Indenture, except that any premium required to be paid to purchase or redeem bonds shall be paid out of funds held by the Trustee under this Section, and the Company shall not be required to furnish the Trustee with additional funds for such purpose or to reimburse the Trustee or the improvement fund for moneys so paid out. Interest and expenses in connection with purchases or redemptions pursuant to this Section shall be dealt with as provided in Section 9.05 of the Indenture; or

(2) be withdrawn by the Company to the extent of sixty per centum (60%) of the amount of unfunded net property additions certified to the Trustee for such purpose, but only upon receipt by the Trustee of the applicable certificates, opinion of counsel, instruments and cash, if any, required by paragraphs (3), (4), (5), (7), (9) and (10) of Section 4.05 of the Indenture, showing that the Company has unfunded net property additions equal to the amount so certified.

Bonds deposited with the Trustee pursuant to this Section, or purchased or redeemed by the use of cash deposited pursuant to this Section, shall be cancelled and shall not be thereafter made the basis for the authentication of bonds, the withdrawal, use or application of cash, or the release of property, under any of the provisions of the Indenture, or thereafter used to satisfy the requirements of this Section or of any other sinking or improvement fund provided for in the Indenture or in any indenture supplemental thereto or to satisfy an unsatisfied balance of the maintenance and replacement requirement (as defined in Section 7.07 of the Indenture) or to satisfy any replacement deficit pursuant to Section 4 of the Supplemental Indenture dated as of October 1, 1964.

To the extent that unfunded net property additions are certified to the Trustee to satisfy the improvement fund requirement for any year in whole or in part or as a basis for the withdrawal of cash deposited with the Trustee under the provisions of this Section, the amount of such unfunded net property additions shall thereafter be deducted in computing the amount of unfunded net property additions under Section 1.11 of the Indenture and in computing gross property additions under Section 7.07 of the Indenture.

SECTION 3. The Company covenants that the provisions of Section 4 of the Supplemental Indenture dated as of October 1, 1964, which are to remain in effect so long as any bonds of the Tenth Series shall be outstanding under the Indenture, shall remain in full force and effect so long as any bonds of the Twelfth Series shall be outstanding under the Indenture.

SECTION 4. The Company covenants that, so long as any bonds of the Twelfth Series shall be outstanding under the Indenture, it will not, after March 31, 1969, declare or pay any dividends, or make any other distributions (except (a) dividends payable or distributions made in shares of common stock of the Company and (b) dividends payable in cash in cases where, concurrently with the payment of the dividend, an amount in cash equal to the dividend is received by the Company as a capital contribution or as the proceeds of the issue and sale of shares of its common stock), on or in respect of its common stock, or purchase or otherwise acquire for a consideration any shares of its common stock, if the aggregate of such dividends, distributions and such consideration for purchase or other acquisition of shares of its common stock after March 31, 1969, shall exceed

(i) the earned surplus of the Company accumulated after March 31, 1969 (determined in accordance with generally accepted accounting

principles and without giving effect to charges to earned surplus on account of such dividends, distributions or acquisitions or on account of the disposition of any amounts which may then be classified by the Company on its books as amounts in excess of the original cost of utility plant or to charges or credits to earned surplus on account of items inherent in the balance sheet at March 31, 1969), plus

(ii) the earned surplus of the Company accumulated prior to April 1, 1969 in an amount not exceeding \$6,500,000, plus

(iii) such additional amount as shall be authorized or approved, upon application by the Company, by the Securities and Exchange Commission, or by any successor commission thereto, under the Public Utility Holding Company Act of 1935.

For the purposes of this Section, in determining the earned surplus of the Company accumulated after March 31, 1969, there shall be deducted the dividends accruing subsequent to March 31, 1969 on preferred stock of the Company and the total amount, if any, by which the charges to income or earned surplus since March 31, 1969 as provision for depreciation of the mortgaged and pledged property (other than specially classified property) shall have been less than the sum of the amounts equal to the product of the applicable percentage (as defined in Section 4 of the Supplemental Indenture dated as of October 1, 1964) and the mathematical average of the amounts of depreciable property (as defined in said Section 4) at the opening of business on the first day and at the close of business on the last day of each calendar year (and, proportionately, of each period of months which is less than a calendar year) subsequent to March 31, 1969 included in the period for which earned surplus is being determined; provided, however, that, so long as any bonds of any series created prior to January 1, 1964 are outstanding under the Indenture, if the total amount, if any, by which the aggregate of the charges to income or earned surplus since March 31, 1969 for repairs, maintenance and provision for depreciation of the mortgaged and pledged property (other than specially classified property) shall have been less than 16% of the gross operating revenues derived by the Company subsequent to March 31, 1969 from the mortgaged and pledged property (other than specially classified property), after deduction from such revenues of the aggregate cost of electric energy, gas and steam purchased for resale, is greater than such amount, then the amount

to be deducted in determining earned surplus shall be such greater amount. The term "consideration", as used in this Section, shall mean cash or fair value if the consideration be other than cash, and the term "provision for depreciation", as used in this Section, shall not be deemed to include provision for the amortization of any amounts classified by the Company on its books as amounts in excess of the original cost of utility plant.

SECTION 5. As supplemented by this Supplemental Indenture, the Indenture, as heretofore supplemented and amended, is in all respects ratified and confirmed, and the Indenture, as heretofore supplemented and amended, and this Supplemental Indenture shall be read, taken and construed as one and the same instrument.

SECTION 6. Nothing in this Supplemental Indenture contained shall, or shall be construed to, confer upon any person other than a holder of bonds issued under the Indenture, the Company and the Trustees any right or interest to avail himself of any benefit under any provision of the Indenture, as heretofore supplemented and amended, or of this Supplemental Indenture.

SECTION 7. The Trustees assume no responsibility for or in respect of the validity or sufficiency of this Supplemental Indenture or the due execution hereof by the Company or for or in respect of the recitals and statements contained herein, all of which recitals and statements are made solely by the Company.

SECTION 8. This Supplemental Indenture may be executed in several counterparts and all such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, said Gulf Power Company has caused this Supplemental Indenture to be executed in its corporate name by its President or one of its Vice-Presidents and its corporate seal to be hereunto affixed and to be attested by its Secretary or one of its Assistant Secretaries, and said The Chase Manhattan Bank (National Association) has caused this Supplemental Indenture to be executed in its corporate name and its corporate seal to be hereunto affixed by one of its Vice-Presidents and its corporate seal to be attested by one of its Assistant Secretaries, and The Citizens & Peoples National Bank of Pensacola has caused this Supplemental Indenture to be executed in its corporate name by its President or one of its Vice-Presidents and its corporate seal to be hereunto affixed and to be

attested by its Cashier or one of its Assistant Cashiers, in several counterparts, all as of the day and year first above written.

**GULF POWER COMPANY**

(CORPORATE SEAL)

By R. F. ELLIS, JR.  
President.

Attest:

R. P. WELSH  
Secretary.

Signed, sealed and delivered this 7th day of  
March, 1969 by GULF POWER COMPANY  
in the presence of:

R. J. BARRINGTON

E. R. UNRUH

**THE CHASE MANHATTAN BANK  
(NATIONAL ASSOCIATION)**

(CORPORATE SEAL)

By E. L. LOSER  
Vice-President.

Attest:

R. R. PACCHIANA  
Assistant Secretary.

Signed, sealed and delivered this 11th day of  
March, 1969 by THE CHASE MANHATTAN  
BANK (NATIONAL ASSOCIATION) in the  
presence of:

R. F. LANZ

J. RICHTER

(CORPORATE SEAL)

**The CITIZENS & PEOPLES NATIONAL BANK  
OF PENSACOLA,**

By J. W. GINGLES  
Vice-President.

Attest:

O. R. HALL, JR.  
Assistant Cashier.

Signed, sealed and delivered this 7th day of  
March, 1969 by THE CITIZENS & PEOPLES  
NATIONAL BANK OF PENSACOLA in the  
presence of:

ANN ZERCKINE

JEAN ALLAN

STATE OF FLORIDA }  
COUNTY OF ESCAMBIA } ss.:

Before the undersigned, a Notary Public in and for said State and County, duly qualified, commissioned and sworn, personally came R. F. Ellis, Jr. and R. P. Welsh, each to me well known to be the identical persons described in and who executed the foregoing instrument and to be the President and the Secretary respectively of GULF POWER COMPANY, the corporation described in and which executed said instrument; and the said R. F. Ellis, Jr. acknowledged and declared that he as President of said corporation and being duly authorized by it, freely and voluntarily, signed its name and caused its corporate seal to be affixed to and executed said instrument in the name of, for and on behalf of said corporation and as and for its act and deed. And the said R. P. Welsh acknowledged and declared that he as Secretary of said corporation, being duly authorized by it, freely and voluntarily affixed the corporate seal of said corporation to said instrument and executed and attested said instrument in the name of, for and on behalf of said corporation and as and for its act and deed.

IN TESTIMONY WHEREOF I do hereunto set my hand and official seal at the City of Pensacola in said State and County this 7th day of March, A.D. 1969.

(NOTARIAL SEAL)

ROBERT E. DEAN

My Commission Expires September 22, 1970

STATE OF FLORIDA }  
COUNTY OF ESCAMBIA } ss.:

On the 7th day of March, in the year one thousand nine hundred and sixty-nine, before me personally came R. F. Ellis, Jr., to me known, who being by me duly sworn, did depose and say that he resides at Pensacola, Florida; that he is the President of Gulf Power Company, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

(NOTARIAL SEAL)

ROBERT E. DEAN

My Commission Expires September 22, 1970

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.:

Before the undersigned, a Notary Public in and for said State and County duly qualified, commissioned and sworn, personally came E. L. LOSER and R. R. PACCHIANA, each to me well known to be the identical persons described in and who executed the foregoing instrument and to be a Vice-President and an Assistant Secretary respectively of THE CHASE MANHATTAN BANK (National Association), the corporation described in and which executed said instrument; and the said E. L. LOSER, acknowledged and declared that he as Vice-President of said corporation and being duly authorized by it, freely and voluntarily, signed its name and affixed its corporate seal to and executed said instrument in the name of, for and on behalf of said corporation and as and for its act and deed. And the said R. R. PACCHIANA acknowledged and declared that he as Assistant Secretary of said corporation, being duly authorized by it, freely and voluntarily attested the execution and ensealing of said instrument in the name of, for and on behalf of said corporation and as and for its act and deed.

IN TESTIMONY WHEREOF I do hereunto set my hand and official seal at The City of New York in said State and County this 11th day of March, A.D. 1969.

(NOTARIAL SEAL)

PAULINE CHAPLIK  
Notary Public, State of New York  
No. 24-5669900  
Qualified in Kings County  
Certificate filed with New York Co. Clerk  
Commission Expires March 30, 1970

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.:

On the 11th day of March, in the year one thousand nine hundred and sixty-nine, before me personally came E. L. LOSER to me known, who being by me duly sworn, did depose and say that he resides at Jamaica, New York; that he is a Vice-President of The Chase Manhattan Bank (National Association), one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

(NOTARIAL SEAL)

PAULINE CHAPLIK  
Notary Public, State of New York  
No. 24-5669900  
Qualified in Kings County  
Certificate filed with New York Co. Clerk  
Commission Expires March 30, 1970

STATE OF FLORIDA }  
COUNTY OF ESCAMBIA } ss.:

Before the undersigned, a Notary Public in and for said State and County, duly qualified, commissioned and sworn, personally came J. W. GINGLES and O. R. HALL, JR. each to me well known to be the identical persons described in and who executed the foregoing instrument and to be a Vice-President and Assistant Cashier respectively of THE CITIZENS & PEOPLES NATIONAL BANK OF PENSACOLA, the corporation described in and which executed said instrument; and the said J. W. GINGLES, acknowledged and declared that he as Vice-President of said corporation and being duly authorized by it, freely and voluntarily, signed its name and caused its corporate seal to be affixed to and executed said instrument in the name of, for and on behalf of said corporation and as and for its act and deed. And the said O. R. HALL, JR. acknowledged and declared that he as Assistant Cashier of said corporation, being duly authorized by it, freely and voluntarily affixed the corporate seal of said corporation to said instrument and executed and attested said instrument in the name of, for and on behalf of said corporation and as and for its act and deed.

IN TESTIMONY WHEREOF I do hereunto set my hand and official seal at the City of Pensacola in said State and County this 7th day of March, A.D. 1969.

(NOTARIAL SEAL)

JEAN ALLAN

My Commission Expires January 12, 1972

STATE OF FLORIDA }  
COUNTY OF ESCAMBIA } ss.:

On the 7th day of March, in the year one thousand nine hundred and sixty-nine, before me personally came J. W. GINGLES, to me known, who being by me duly sworn, did depose and say that he resides at Pensacola, Florida; that he is a Vice-President of The Citizens & Peoples National Bank of Pensacola, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

(NOTARIAL SEAL)

JEAN ALLAN

My Commission Expires January 12, 1972